

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

In Re:

SEARS HOLDINGS CORPORATION, *et al*,

Debtors,

Chapter 11

Case No. 18-23538-RDD

Jointly Administered

**LIMITED OBJECTION BY TUPART II, LLC TO DEBTORS' NOTICE OF  
ASSUMPTION AND ASSIGNMENT OF ADDITIONAL DESIGNATABLE LEASES**

Tupart II, LLC, the landlord ("Tupart II"), hereby objects to the *Notice of Assumption and Assignment of Additional Designatable Leases* ("Assumption and Assignment Notice") [Docket No. 3298] filed by Sears Holdings Corporation on behalf of itself and its affiliated debtors and debtors in possession (collectively, the "Debtors") in the above-referenced bankruptcy case on the grounds that the rent due May 1, 2019 has not been paid.

Tupart II's landlord predecessor-in-interest and Kmart Corporation, as tenant, entered into a lease agreement dated March 12, 1969, as amended ("Lease") for the premises located at 7055 E. Broadway Street, Tucson, AZ known as Kmart Store Unit No. 4996 ("Kmart Store"). On December 12, 2018, Kmart Corporation elected to extend the Parties' Lease for an additional five years beginning June 9, 2019, to and including June 8, 2024, upon the terms, conditions, and rental in the Lease, as amended ("Lease Extension Agreement"). Under the Lease Extension Agreement, the extension of the Lease was not deemed an assumption of the Lease pursuant to section 365 of Bankruptcy Code and the tenant, Kmart Corporation, retained its rights to assume or reject the Lease pursuant to section 365 of the Bankruptcy Code and any orders entered by the United States Bankruptcy Code for the Southern District of New York.

In their Assumption and Assignment Notice, Debtors seek, *inter alia*, to assume and assign the Lease to Transform Leaseco LLC. Tupart II objects to the assumption of its Kmart Store's Lease because the Lease's May 2019 rent<sup>1</sup> in the sum of **\$40,466.75** is unpaid. Tupart II reserves its right to supplement this *Objection*.

**TUPART II, LLC**

/s/ William J. Hanlon

William J. Hanlon (WH 8128)

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Dated: May 3, 2019

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<sup>1</sup> The breakdown of the sum owed for May 2019 rent is as follows: (i) May 2019 rent in the amount of \$39,250.00 (ii) *plus* Arizona rental tax of \$1,216.75 (iii) *equals* a total of **\$40,466.75**.